

[27 April, 2001]

RAJYA SABHA

Import of Chemical Fertilizers

**[†]4597. SHRI RAM JETHMALANI:
SHRI RAJIV RANJAN SINGH 'LALAN':**

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

- (a) whether it is a fact that the country has to depend on imports to meet the requirement of chemical fertilizers;
- (b) if so, which chemical fertilizers were imported during 1998-99, 1999-2000 and 2000-01, and the quantity thereof; and
- (c) the details of foreign exchange spent for import during each year?

THE MINISTER OF CHEMICALS AND FERTILIZERS (SHRI SUKHDEV SINGH DHINDSA): (a) to (c) Yes, Sir. Urea is the only controlled fertilizer whose imports are made on Government account, to bridge the gap between requirement and indigenous availability. The import of decontrolled fertilizers such as DAP and MOP is governed by the market forces operating within the parameters of the Concession Scheme.

The quantity of urea imports in the last three years alongwith the expenditure incurred thereon is as under:

Year	Urea (Lakh metric tonnes)	Total Foreign Exchange incurred on import of urea (US\$/Million)
1998-99	5.56	56.00
1999-2000	5.33	45.85
2000-01	Nil	—

As DAP and MOP have been decontrolled since 24.8.1992 and decanalized with effect from 17.9.1992 and 17.6.1993, respectively,

[†]Original notice of the question was received in Hindi.

these fertilizers are imported freely on private trade account. Thus, Government do not maintain details regarding the prices, expenditure and sources of its imports. On the basis of available information, the quantities of DAP and MOP imported in the last three years is as under:

Year	DAP (Lakh metric tonnes)	MOP (lakh metric tonnes)
1998-99	21.05	25.70
1999-2000	32.68	28.98
2000-2001 (Estimated)		

Cost of Urea

†4598. SHRI RAJIV RANJAN SINGH 'LALAN':
SHRI RAM JETHMALANI:

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether it is a fact that chemical fertilizers, produced in the country particularly urea, are costly, as compared to imported fertilizers;

(b) if so, whether Government have ascertained the reasons for low price of urea in international market, as compared to price of urea produced in the country; and

(c) if so, the details thereof?

THE MINISTER OF CHEMICALS AND FERTILIZERS (SHRI SUKHDEV SINGH DHINDSA): (a) to (c) Yes Sir. The higher cost of production of indigenous urea *vis-a-vis* the price of urea in the international market is mainly on account of higher cost of feedstock/raw material and intermediates in India. The nitrogenous fertilizer plants are mainly based on natural gas in the exporting countries where the cost of natural gas is around US\$ 1 per million BTU or less as against delivered cost of US\$ 2.33 to 2.39 for the plants based on land fall point and US\$ 2.76 to 3.07 for the urea plants based on HBJ pipeline in India. The feedstock cost of the plants based on Naphtha

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